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Chief, St/I/R

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THRU : Chief, D/S

Acting Chief, S/TF

Preparation of Requirements for Hungarian Refugees.

A. Types of Individuals for Foreign Trade Intelligence Exploitation.

1. Professional personnel employed in a foreign trade monopoly (e.g. Electroimpex) engineers, accountants, administrative or executive employees. These employees presumably will be able to discuss the following questions only in relation to specific commodities produced or used in the company in which they work.

2. Employees of the foreign trade ministry. These people presumably will be able to discuss the following questions either in terms of specific commodities of operations, or for the total of Hungary's operations in buying and selling outside of Hungary.

B. Requirements

1. What proportion of Hungary's total production of railway cars, (electric motors, buses, or any other export) is exported to the USSR? To China? To the West?

2. Does Hungary get the same price for its railway cars, (or buses, or any other export commodity) sold to the USSR as for those sold to another Satellite?

3. What proportion of Hungary's total imports of iron ore (or coal, copper or any other raw material used) comes from the USSR? From eastern Europe including East Germany?

4. In the recent attempt to increase sales of Hungarian goods to underdeveloped countries of the west (e.g. Egypt, India, Indonesia) has Hungary competed against other countries of Eastern Europe, or have the Satellites coordinated their efforts and specialized in the export of specific commodities?

5. How does Hungary determine the price at which she will offer a commodity (e.g. railway cars) for sale to the West? Is there any relation between these selling prices, which are concluded in a western currency, and the cost of production.

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SUBJECT: Preparation of Requirements for Hungarian Refugees.

6. For what reason has Hungary participated in the expansion of economic relations with the underdeveloped countries of the West? Is it because of a Soviet requirement? Because of a need for new sources of raw materials? Because of the appearance of exportable surpluses of industrial products?

7. What is the difference between an Accounting Forint and an Internal Forint?

8. Any records of the Ministry of Foreign Trade, Department of Price Politics (Árpolitikaiosztály) for a recent year would be extremely useful. How much does this Department of Price Politics pay to each State Trading Company (e.g. Elektroimpex)? Are larger payments needed for exports to the USSR than for exports to other Bloc countries? Does this Department make such payments for imports as well as exports?

9. From what banks or financial houses in Western Europe has Hungary received commercial loans for the financing of its trade with the West? What is the extent of its outstanding indebtedness to the West at present? What rate of interest does it pay for these loans? Does the USSR or China ever make similar short-term loans of sterling, dollars, gold or platinum to Hungary?

10. What percent of Hungary's commodity exports to the West is used to pay for transportation and insurance on Hungarian imports provided by Western shipping concerns?

11. Is there any pooling of gold or foreign exchange among the Satellites? If so which country or bank(s) serves as the holder of the pool?

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